

**STATE OF MICHIGAN**  
**DEPARTMENT OF LABOR & ECONOMIC GROWTH**  
**OFFICE OF FINANCIAL AND INSURANCE REGULATION**  
**Before the Commissioner of Financial and Insurance Regulation**

In the matter of

XXXXX

Petitioner

File No. 88779-001-SF

v

Blue Cross and Blue Shield of Michigan  
Respondent

/

**Issued and entered**  
**This 12<sup>th</sup> day of May 2008**  
**by Ken Ross**  
**Commissioner**

**ORDER**

**I**  
**PROCEDURAL BACKGROUND**

On March 27, 2008, XXXXX (Petitioner) filed a request for external review with the Commissioner of Financial and Insurance Regulation under Public Act No. 495 of 2006 (Act 495), MCL 550.1951 *et seq.* The Commissioner reviewed the request and accepted it for external review on April 3, 2008.

Under Section 2(2) of Act 495, MCL 550.1952(2), the Commissioner conducts this external review as though the Petitioner was a covered person under the Patient's Right to Independent Review Act (PRIRA), MCL 550.1901 *et seq.*

The Commissioner notified Blue Cross and Blue Shield of Michigan (BCBSM) of the external review and requested the information used in making its adverse determination. The Commissioner received BCBSM's response on April 14, 2008.

The Petitioner is enrolled for health coverage as a retiree of the State of Michigan through the State Health Plan PPO, a self-funded group. BCBSM administers the plan. The issue in this

external review can be decided by a contractual analysis. The contract involved here is the State Health Plan PPO "Your Benefit Guide" (the Guide), the document that describes the Petitioner's coverage. The Commissioner reviews contractual issues pursuant to MCL 550.1911(7). This matter does not require a medical opinion from an independent review organization.

## **II FACTUAL BACKGROUND**

Before having a colonoscopy on January 25, 2008, the Petitioner had a pre-procedure consultation with XXXXX on January 7, 2008. BCBSM paid the facility charge and XXXXX surgical fee for the colonoscopy. However, it denied payment for the consultation with XXXXX. The charge for the consultation was \$189.00

The Petitioner appealed BCBSM's denial. BCBSM held a managerial-level conference on March 4, 2008, and issued a final adverse determination dated March 12, 2008.

## **III ISSUE**

Is BCBSM required to pay for the Petitioner's January 7, 2008, physician consultation related to her colonoscopy?

## **IV ANALYSIS**

### **Petitioner's Argument**

The Petitioner is requesting payment for the pre-surgical physician office visit she had on January 7, 2008, related to her colorectal screening (colonoscopy).

The Petitioner believes that her consultation with the participating PPO surgeon was an integral part of the colonoscopy. According to the Guide, colorectal screening is a covered benefit. Therefore, the Petitioner believes all aspects of this care, including the consultation with the surgeon before the procedure, should be covered.

### **BCBSM's Argument**

BCBSM indicated that a pre-surgical consultation is not covered when there is no medical

diagnosis. In this case, the colonoscopy was billed as a routine screening, and routine services are defined in the Guide as “procedures or tests that are offered for a patient without relationship to the diagnosis or treatment of a specific disease or injury.” BCBSM says that the Guide clearly provides that “Medical consultations are payable when your physician requires assistance in diagnosing or treating a medical condition because a special skill or knowledge of the consulting physician is required.” Thus, BCBSM says the criteria for a covered physician consultation were not met and reimbursement cannot be allowed.

BCBSM said it also submitted this issue to its Medical Affairs Policy Department for possible payment. The department responded that a pre-surgical consultation could be billed as part of the surgery only if the consultation was on the day of, or a day before, a major surgery; otherwise, it is not bundled. Here, the pre-surgical consultation occurred on January 7, 2008, 18 days before the colonoscopy.

BCBSM believes that the Petitioner’s pre-surgical consultation is not a covered benefit under the provisions of the benefit guide.

#### Commissioner’s Review

The Guide explains that physician consultations are only covered when there is need for “assistance in diagnosing or treating a medical condition.” However, the Petitioner’s colonoscopy was for screening (not diagnostic) purposes, i.e., there were no symptoms and no identified condition to diagnose or treat. A pre-surgical consultation is not necessary (or covered) when a procedure is performed for screening purposes. There is nothing in the record from which the Commissioner could conclude that the consultation was required to assist in diagnosing or treating a medical condition.

Since XXXXX is a participating surgeon with BCBSM, there was a question of whether she could bill for the consultation as part of the charge for the colonoscopy. However, BCBSM’s Medical Affairs Policy Department indicated that pre-surgical consultation is bundled with the

payment for the surgery only when the consultation is the day of or the day before the surgery. In this case the consultation was eighteen days prior to the colonoscopy.

The Commissioner concludes that the Petitioner's January 7, 2008, pre-surgical physician consultation is not a covered benefit under the provisions of the Guide.

**V  
ORDER**

BCBSM's final adverse determination of March 12, 2008, is upheld. BCBSM is not required to cover the Petitioner's January 7, 2007, physician consultation.

This is a final decision of an administrative agency. A person aggrieved by this Order may seek judicial review no later than 60 days from the date of this Order in the circuit court for the county where the covered person resides or in the circuit court of Ingham County. See MCL 550.1915(1), made applicable by MCL 550.1952(2).

A copy of the petition for judicial review should be sent to the Commissioner of Financial and Insurance Regulation, Health Plans Division, Post Office Box 30220, Lansing, MI 48909-7720.

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Ken Ross  
Commissioner